

11.3 CEO Review Panel

Report by the Chief Executive Officer Review Panel (CEO Review Panel) on the Chief Executive Officer's (CEO) Annual Remuneration Review.

This is a regular or standard report.

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Attachments: Nil

1 Executive summary

1.1 Topic

Report by the Chief Executive Officer Review Panel (CEO Review Panel) on the Chief Executive Officer's (CEO) Annual Remuneration Review.

1.2 Context

Council has established a Chief Executive Officer Review Panel to undertake, in accordance with the conditions of the Employment Contract, the annual review of the Chief Executive Officer's remuneration.

1.3 Suggested outcome

That Council considers and accepts the recommendations of the CEO Review Panel.

It is suggested that this report is considered by Council in confidence as it relates to the CEO's personal remuneration. Section 90 (2)(a) (personal affairs) is recommended as the most appropriate section of the Local Government Act 1999 to use for this purpose. If the report is not considered in confidence, the personal affairs of the CEO could become publicly available.

2 Recommendation(s)

1. That

- a. **under the provisions of Section 90(2) of the Local Government Act 1999 an order be made that the public be excluded from attendance at the meeting in order to consider in confidence this item.**

- b. the Council is satisfied that it is necessary that the public be excluded to enable the Council to consider the report at the meeting on the following grounds:**
 - (a) information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead);**
- c. That accordingly, on this basis the principle that meetings of the Council should be conducted in a place open to the public has been outweighed by the need to keep the information or discussion confidential.**
- 2. That Council note the report.**
- 3. That Council:**
 - resolves in view of results of the annual CEO Review, the professional and ‘market’ advice regarding appropriate remuneration for the position of City of Onkaparinga Chief Executive Officer and also the importance of keeping parity with other executive and senior management remuneration that Mr Tate’s Remuneration Package be increased, in accordance with the terms and timing of his contract, to the amount of \$285,000 (effective 1 July 2008)**
 - resolves to make a ‘once off’ payment to Mr Tate’s superannuation of an amount equal to 2.5% of his current remuneration package**
 - resolves that no Strategic Performance Objectives (SPOs) be established for the 2008/2009 period**
 - resolves that the incoming CEO Review Panel undertake a review of the function and form of the CEO Strategic Performance Objectives and report back to Council.**
- 4. That an order be made under the provisions of Section 91(7) and (9) of the Local Government Act 1999 that the abovementioned document (or part of such document) including the minutes and the report of the Council relating to discussion of the subject matter of that document, having been dealt with on a confidential basis under Section 90 of the Act, should be kept confidential on the grounds of information contained in 90(3)(a) until 31 December 2009.**

Key Factors

3 Discussion

Item 7.9 of this agenda dealt with the discussions and recommendations of the CEO Review Panel in regards to the CEO's performance and establishing of Strategic Performance Objectives.

This confidential report contains the Panel's discussion and recommendations in regard to the CEO's remuneration for 2008/09.

3.1 Outcomes of the Review of the Remuneration Package

The Panel sought advice from Mr Mark Hender (principal of Hender Consulting) and Mr Andrew Reed (also of Hender Consulting), in accordance with the provisions of Mr Tate's employment package, on the appropriate level of remuneration that should be afforded to the position. Acting on Mr Hender's advice (which was verified by separate independent professional advice which was available to the Panel) the Panel is recommending that Mr Tate's remuneration package be increased to \$285,000 per annum.

The Panel is aware (as would members of Council) that Mr Tate has for some years been reluctant to accept increases to his remuneration package that would maintain the parity with other local government and state government CEOs and senior managers. Whilst most admirable at the time the situation now occurs where, amongst other reasons, Chief Executive Officers of other SA metropolitan and country councils with much smaller budgets, responsibilities, etc are receiving salary packages not too dissimilar to the package currently made available to the CEO of the City of Onkaparinga. While it is agreed that this factor alone should not be the sole determinant of the remuneration that this Council offers its CEO it should be understood that lack of action to address the issue causes this Council and its CEO some difficulty in attracting and/or retaining the excellent quality of executive personnel we have become accustomed to.

The Panel also recommends to Council that a 'one-off' contribution of 2.5% of his current remuneration package be made to Mr Tate's superannuation.

NOTE: As is Council's policy regarding elected members queries on Agenda Items could elected members refer their queries, if any, to the CEO Review Panel Chairperson, Cr Fletcher by email tfletcher@onkaparinga.sa.gov.au or by phone 8270 1939 (home) or 0419867741 (mob) prior to the meeting.

12. Closure

Declarations of Interest

Council Meeting Date:		Councillor:
Item No. (e.g. 3.1)	Declaration of Interest <i>(where a member has an interest that does not lead to a conflict)</i>	Declaration of Conflict of Interest <i>(where a member has an interest that leads to a conflict)</i>

*# IF YOU REQUIRE ANY ASSISTANCE WITH THIS FORM OR WITH THIS PART OF THE ACT,
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